

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE  
(Other instructions on  
reverse side)

FORM APPROVED  
OMB NO. 1004-0136  
Expires February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

|  |                       |   |               |                    |
|--|-----------------------|---|---------------|--------------------|
| 1a. TYPE OF WORK<br>Drill <input checked="" type="checkbox"/> Deepen <input type="checkbox"/>  |                       | 5. LEASE DESIGNATION AND SERIAL NO.<br>JIC460                             |               |                    |
| b. TYPE OF WELL<br>Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>     |                       | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME<br>Jicarilla Apache                  |               |                    |
| 2. NAME OF OPERATOR<br>Mallon Oil Company 13925  |                       | 7. UNIT AGREEMENT NAME<br>N/A   |               |                    |
| 3. ADDRESS AND TELEPHONE NO.<br>P.O. Box 3256<br>Carlsbad, NM 88220 (505) 885-4596   |                       | 8. FARM OR LEASE NAME, WELL NO.<br>Jicarilla 460-16 No. 1 22183           |               |                    |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)<br>At surface 1850' FNL and 690' FWL (SW NW) Unit E<br>At proposed prod. zone 1850' FNL and 690' FWL (SW NW) Unit E |                       | 9. API WELL NO.<br>30-039-25760   |               |                    |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE *<br>50 miles east of Bloomfield, New Mexico  |                       | 10. FIELD AND POOL, OR WILDCAT<br>E. Blanco, Pictured Cliffs 72400        |               |                    |
| 15. DISTANCE FROM PROPOSED *<br>LOCATION TO NEAREST<br>PROPERTY OR LEASE LINE, FT.<br>(Also to nearest drlg. unit line, if any)<br>690'  |                       | 11. SEC., T., R., M., OR BLK.<br>AND SURVEY OR AREA<br>Sec. 16, T30N-R03W |               |                    |
| 16. NO. OF ACRES IN LEASE<br>1999.99   |                       | 12. COUNTY OR PARISH<br>Rio Arriba  |               |                    |
| 17. NO. OF ACRES ASSIGNED<br>TO THIS WELL<br>160   |                       | 13. STATE<br>NM   |               |                    |
| 18. DISTANCE FROM PROPOSED LOCATION *<br>TO NEAREST WELL, DRILLING, COMPLETED,<br>OR APPLIED FOR, ON THIS LEASE, FT.<br>3550'  |                       | 19. PROPOSED DEPTH<br>4500'   |               |                    |
| 20. ROTARY OR CABLE TOOLS<br>Rotary  |                       | 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, Etc.)<br>7168'                   |               |                    |
| 22. APPROX. DATE WORK WILL START<br>October 20, 1997   |                       | 23. PROPOSED CASING AND CEMENTING PROGRAM                                 |               |                    |
| SIZE OF HOLE   | GRADE, SIZE OF CASING | WEIGHT PER FOOT   | SETTING DEPTH | QUANTITY OF CEMENT |
| 8-3/4"   | 7"                    | 17# 20#   | 500'          | Circ. to surface   |
| 6-1/4"   | 4-1/2"                | 11.6#   | 4500'         | 365 sks Surface    |

Mallon Oil Company proposes to drill to a depth sufficient to test the Pictured Cliffs formation. If productive, 5-1/2" casing will be cemented at TD. If non-productive, the well will be plugged and abandoned in a manner consistent with Federal regulations. Specific programs as per on-shore Oil and Gas Order No. 1 are outlined in the following attachments:

Drilling Program

Exhibit 1: Blow Out Preventor Equipment/Plan  
Exhibit A: Location and Elevation Plat  
Exhibit B: Roads and Pipelines  
Exhibit C: One Mile Radius Map

Exhibit D: Drilling Site Layout  
Exhibit E: Production Facilities  
Exhibit F: H2S Contingency Plan  
Exhibit G: Environmental Assessment

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED: Terry Lindeman TITLE: Production Superintendent DATE: 10/16/97

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY: (Original Signed) HECTOR A. VILLALOBOS

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 12/8/97

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED  
DEC 15 1997  
OIL CON. DIV.  
DIST. 3

HOLD C-104 FOR NSL@

REVIEWED  
APPROVED  
NOV 19 1944  
U.S. GOVERNMENT  
PRINTING OFFICE

DISTRICT I  
P.O. Box 1980, Hobbs, N.M. 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994

DISTRICT II  
P.O. Drawer DD, Artesia, N.M. 88211-0719

Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, NM 87504-2088

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                                    |  |                                    |  |                                   |                     |
|------------------------------------|--|------------------------------------|--|-----------------------------------|---------------------|
| *API Number<br><u>30-039-25760</u> |  | *Pool Code<br><u>72400</u>         |  | *Pool Name<br><u>E BLANCO; PC</u> |                     |
| *Property Code<br><u>22183</u>     |  | *Property Name<br>JICARILLA 460-16 |  |                                   | *Well Number<br>1   |
| *OGRID No.<br><u>13925</u>         |  | *Operator Name<br>MALLON OIL CO.   |  |                                   | *Elevation<br>7168' |

<sup>10</sup> Surface Location

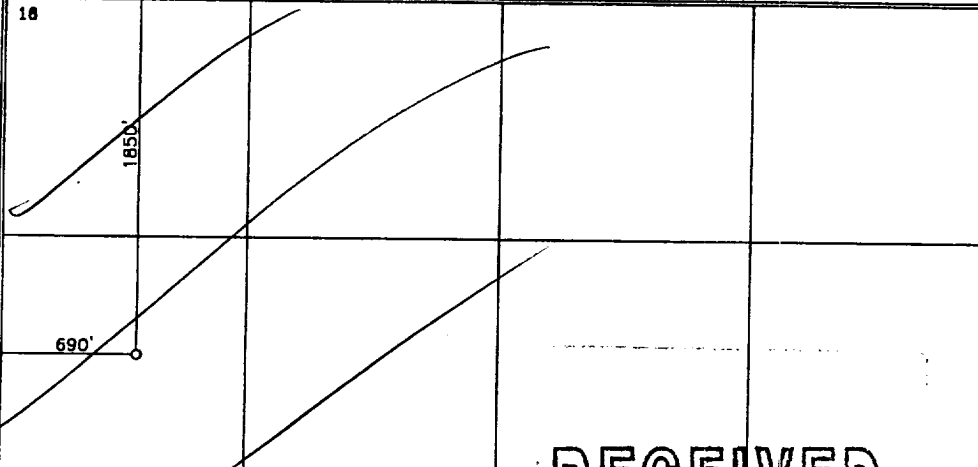
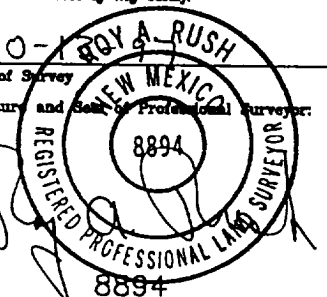
|                           |               |                  |              |         |                       |                           |                      |                        |                      |
|---------------------------|---------------|------------------|--------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------------|
| UL or lot no.<br><u>E</u> | Section<br>16 | Township<br>30-N | Range<br>3-W | Lot Idn | Feet from the<br>1850 | North/South line<br>NORTH | Feet from the<br>690 | East/West line<br>WEST | County<br>RIO ARRIBA |
|---------------------------|---------------|------------------|--------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------------|

<sup>11</sup> Bottom Hole Location If Different From Surface

|               |         |          |       |         |               |                  |               |                |        |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|

|   |                               |                                  |                         |
|---|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br><u>160</u> | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

|   |  |
|---|--|
|  | <p><b>17 OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><u>Terry Lindeman</u><br/>Signature<br/>Terry Lindeman<br/>Printed Name<br/>Production Superintendent<br/>Title<br/>10/15/97<br/>Date</p>   |
|   | <p><b>18 SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p><u>JOY A. RUSH</u><br/>Date of Survey<br/>Signature and Seal of Professional Surveyor:<br/><br/>8894<br/>Certificate Number</p> |

**RECEIVED**  
DEC 15 1997  
OIL CON. DIV.  
DIST. 3

0-1504  
 0-1504  
 0-1504  
 0-1504

